

House Republican Press Release

April 17, 2006

Press Office: 860-240-8700

Rep. Stripp: Majority Democrats Kill House GOP Measure to Lower Consumer Electricity Bills



With Connecticut residents struggling to cope with rising gasoline, natural gas and electricity prices, the majority Democrats in the state House of Representatives last week killed a Republican proposal that would have lowered electricity bills for most ratepayers, state Representative John E. Stripp, R-135th District, said today.

The majority Democrats last Tuesday used a parliamentary procedure to kill the proposal, an amendment to another bill concerning electric distribution companies.

The measure would have reduced the state's gross earnings tax on electricity bills from 6.8 percent to 4 percent for residential customers and from 8.5 percent to 5 percent for commercial customers. The tax is passed on to consumers in their electricity bills.

"Our measure would save consumers and businesses \$55 million to \$60 million," Representative Stripp said. "The General Assembly's majority Democrats, who never met a tax they did not love, clearly oppose cutting this one as a way to give electricity consumers rate relief. They knew their anti-consumer position would not sit well with the people of Connecticut, so they used a parliamentary maneuver to shelve our proposal. They did it to avoid debating our amendment or going on the record in opposition to it."

"This year, Connecticut residents saw their electricity bills go up by 22.4 percent, thanks to last year's rate hike," Representative Stripp said. "If the Democrats were not as addicted as they are to high taxes and excessive, wasteful spending, they could have supported our proposal and given consumers some badly needed rate relief. In addition to the electricity rate hike, the people of Connecticut have had to absorb sharp increases in gasoline and heating oil costs over the past 10 months and many are having trouble making ends meet. The higher costs are hurting employers as well, cutting into profits, forcing them to defer expansion plans and preventing them from hiring new employees."

"At the beginning of the 2006 legislative session, the majority Democrats were saying the right things about stimulating the economy, improving the business climate and creating new jobs. Our tax cut proposal would have helped them achieve that goal. Now, with the session drawing to a close, the majority Democrats once again are backing away from their commitment to strengthen Connecticut's economy and provide more jobs for the working people of our state," Representative Stripp said.